

ADMINISTRATION FOR CHILDREN AND FAMILIES PERSONAL PROPERTY MANAGEMENT GUIDE

I. INTRODUCTION

This reference guide is for the Administration for Children and Families (ACF) personnel who are assigned Property Custodial Officer (PCO) duties. The PCOs are responsible for ACF having a successful personal property program. The guide is designed to simplify the PCO's job as much as possible. It contains instructions and answers to many commonly asked property management questions. The guide, when properly used, will achieve a greater degree of efficiency and effectiveness for the overall success of ACF's property management system.

For additional information contact the Office of Administrative Services and Facilities Management (OASFM) at (202) 401-9300.

II. REFERENCES AND REQUIREMENTS

Auditing and Accounting Act of 1950 (Title 31, U.S.C.)
Chief Financial Officers Act of 1990 (P.L. 101-576)
The Federal Regulations (FR)
U.S. Department of Health and Human Services (DHHS):
 Accounting Manual, Chapter 1-30
 Logistics Management Manual (LMM)
 Property Custodial Officer's Guide
 January 1994 Final Report "Evaluation and
 Measurement in DHHS Personal Property Management Programs"
Federal Acquisition Regulations (FAR)
Federal Information Resources Management Regulations (FIRMR)
Federal Managers' Financial Integrity Act of 1982 (FMFIA)
Federal Property and Administrative Services Act of 1949 (FPASA)
Federal Property Management Regulations (FPMR)
General Accounting Office Title 2 (GAO Title 2) Manual
Public Law 84-863 (Financial Accounting Act of 1956) (FAA)

III. ACCOUNTABILITY

Accountable personal property consists of property with an acquisition value of \$50.00 or more, useful life expectancy of more than two years, sensitive items, and leased property without regard to value.

Accounting for ACF's personal property means to provide accounting for personal property, records of purchase receipts, inventory records, location of property, and report all unrequired property.

IV. AUTHORITIES

The Administrator of the General Services Administration (GSA) is authorized to prescribe regulations, policies and procedures pertaining to property management by the Federal Property and Administrative Services Act of 1949. He has delegated this authority to the Secretary of the Department of Health and Human Services (HHS), who has redelegated this authority down through the organizational levels to the Property Management Officers (PMO). The PMO for ACF is the Director of the Office of Administrative Service and Facilities Management (OASFM).

V. RESPONSIBILITIES

The Office of Administrative Services and Facilities Management (OASFM) is responsible for managing ACF's personal property program.

Property Management Officer (PMO)- The PMO is generally not involved in the day-to-day operational activities of property management. The PMO coordinates with the Property Accountable Officer (PAO) and Property Utilization Officer (PUO) to assure proper utilization for an overall effective and economical program to include the following:

- o Provides leadership, and guidance in the proper accounting, utilization, care, and disposal of property;
- o Assures that property accountability records are reconciled by periodic inventories of property;
- o Assures the establishment of policies and procedures satisfying the requirements of the HHS's Logistic Management Manual (LMM) and the various laws and regulations referenced therein;
- o Ensures that proposed acquisitions are reviewed to avoid duplication of property and to enforce reutilization;
- o Ensures the establishment and development of a training program of property management for the PAO, PCO, and PUO; and

- o Provides technical advice and assistance to components on matters pertaining to logistics management and serves as the point of reference with the Department and external agencies on logistics matters.

Property Accountable Officer (PAO)- The PAO supports the execution of the responsibilities assigned to the PMO. The PAO works in concert with ACF's offices to coordinate reutilization of property to assure effective and economical service in meeting operating needs. The PAO's responsibilities include, but are not limited to the following:

- o Ensures effective administration and maintenance of a property accountability and control system within ACF;
- o Ensures that the PCOs have up to date records of the property for which they are responsible;
- o Ensures that physical inventories are taken, and that survey reports for lost, damaged, or destroyed properties are promptly prepared and processed;
- o Provides reports as necessary to provide indicators of status, success, and/or weaknesses in the property management program;
- o Provides leadership and guidance in the proper utilization and disposal of property; and
- o Provides property passes when property is moved from one location to other.

Property Utilization Officer (PUO)- The PUO supports the execution of the responsibilities assigned to the PMO. The PUO works in concert with ACF's offices to coordinate reutilization of property to assure effective and economical service in meeting operating needs. The PUO's responsibilities include, but are not limited to the following:

- o Ensures effective administration and maintenance of a property accountability and control system within ACF;
- o Provides leadership and guidance in the proper utilization and disposal of property;
- o Provides reports as necessary to provide indicators of status, success, and/or weaknesses in the property management program;

- o Provides documentation pertaining to excessing, transferring and other movement of property; and
- o Provides property passes when property is moved from one location to other.

Property Custodial Officer (PCO)- The PCOs ensures that all personal property assigned to their property custodial area is inventoried. The PCO's responsibilities include, but are not limited to the following:

- o Provides inspections of the property to insure that all items are available, working, and perform their intended functions;
- o Provides accountability for the movement of all property with proper documentation. No property should be moved from one location to another without proper documentation;
- o Provides documentation pertaining to excessing, transferring and other movement of property;
- o Ensures and provides adequate count and description of all personal property assigned to the property custodial area;
- o Provides property passes when property is moved from their custodial location for a temporary period. This could occur for repair of property or employees taking property home for official use; and
- o Provides a joint inventory of property with the PAO to verify the accuracy of the property in your custodial area.

Employee - All employees are responsible for the proper use, maintenance and protection of the personal property entrusted to their possession.

V. DEFINITIONS

Accountable Area: An area specifically defined by organizational or geographic limits which is assigned to a designated property accountable officer. It is larger than a property custodial area and maintains accountable records for a number of property custodial areas which have physical responsibility for personal property. The accountable areas for ACF are the Central and Regional Officers.

Accountable Property: Items of Government which have an aggregate acquisition cost of \$50.00 or more or are considered to be of a sensitive nature (highly susceptible to theft or misuse). (This definition pertains to the items which will appear on the Property Custodial Area's Inventory, it is not to say that since an item is not accountable by this definition that it is not important to the Government). **These items must be bar-coded and inventoried.**

Custodial Area: A smaller property area designed to maintain a physical accountability of property is assisted to a PCO. ACF's custodial areas are each office within ACF.

Equipment: An article of personal property that is complete in itself, is of durable nature, with an expected life of one year or more, and does not ordinarily lose its identity or become a component of another article when put into use.

- o Capitalized Equipment: Nonexpendable personal property that has a unit acquisition cost of \$25,000 or more, including accessories, transportation costs, and installation costs.
- o Noncapitalized Equipment: Nonexpendable personal property that has a unit acquisition cost under \$50.00, including accessories, transportation costs, and installation costs.
- o Lease/Rental Equipment: All property/equipment that is leased or rented by an ACF component. All components shall maintain a record on each item or group of identical items leased/rented.

Excess Personal Property: Personal property that is no longer required by ACF, or by any other agency of HHS and, therefore, is available for transfer to other Federal departments and agencies.

Furniture: should be bar-coded and entered into the inventory data system. Inventory records should reflect total numbers of each type of furniture and will be keyed individually.

Nonaccountable Property: All personal property costing less than \$50.00 (except sensitive items). Nonaccountable property need not be inventoried once the item is issued or placed in use (Note: the fact that an item of personal property is not inventoried does not imply that a low cost item does not have to be controlled or that it can be thrown away when no longer needed).

- o All "unrequired property" (no longer needed property) must be reported through property management channels for reutilization or disposal.

Personal Property: Government property of any kind or interest therein, except real property and records, of the Federal Government.

Physical Inventory: A physical identification and count of all accountable personal property. A certification of accuracy of the inventory will be required of each PCO.

Precious Metals: Any item, piece, or part, made of platinum, gold, or silver.

Property Accountable Officer (PAO): An officer or employee designated by proper authority to have operational accountability for the personal property charged to his/her accountable area. He/she is responsible for the determination and definition of property custodial areas within the accountable area; assuring that the Property Custodial Officer has been given an inventory list and all other current records; that physical inventories are taken; and that survey reports of lost, damaged, or destroyed property are promptly prepared and processed. This individual is designated in writing similarly to the manner in which the Property Custodial Officers are designated.

Property Accountability: This is a function to account for personal property by using appropriate documentation of all transactions which affect personal property on-hand, received, and disposed of by an organization. This process is carried out by Property Accountable Officers. It is not direct physical responsibility for the property reflected in those records. It means that a record of receipt, issue, use and disposal of each item of property must be maintained. The physical control of that property is assigned to the Property Custodial Officer through proper documentation.

Property Custodial Officer (PCO): An employee who is designated by established authority to be responsible for the proper physical use, issuance, maintenance, and protection of personal property charged to their custodial area. This includes processing appropriate paperwork. Also his/her responsibility corresponds with the Standards of Conduct which refers to the fact that Government equipment is for Government use. It is up to the PCO to assure that the equipment is properly being used by the program for its intended use and that the equipment is in proper working order.

Property Management Officer (PMO): An officer who oversees the Property Accountable Officers. The PMO usually provides and determines the proper interpretation and direction of the Federal and HHS regulations involving government property. The PMO also provides administration and maintenance of an effective property accountability and control system, provides adequate training and instruction for the PCO, reconciles the property and financial records, and conducts periodic evaluations on the performance and effectiveness of the logistic management system. He/she may also be responsible for motor vehicle management, warehousing and supplies.

Property Utilization Officer (PUO): An officer or employee designated by proper authority to have operational accountability for the personal property charged to his/her accountable area. He/she is responsible for the processing of the appropriate paperwork for property management.

Sensitive Equipment: Any item of personal property that has a high degree of personal appeal, is portable, and susceptible to theft.

**GOVERNMENT PROPERTY TO BE CLASSIFIED AS
SENSITIVE EQUIPMENT REGARDLESS OF DOLLAR VALUE**

- Bar Code Readers/Scanners
- Calculators (greater than \$50)
- Cameras and Lenses
- Carpenter and Mechanic's Tools
- Copying Machines
- Hand Tools, Power (greater than \$50)
- Microwave Ovens
- Modems (External Only)
- Pagers
- Paper Shredders
- Personal Computers
- Printers
- Projectors (slide, motion picture, overhead, etc.)
- Refrigerators
- Recorders/Players, Tape/Video/Stereo/Compact Disc, etc.
(greater than \$50)
- Telecopiers
- Telephones (including portable or cordless)
- Telephone answering machines
- Television Sets
- Typewriters

Trade-in: A unit of accountable personal property turned over to a vendor when purchasing a new unit of accountable personal

property of similar description, where the ACF receives value in the form of a discount on the purchase.

Unrequired Personal Property: Personal property that is no longer needed.

Warranty: A written guarantee of the integrity of a product and of the manufacturer's responsibility for the repair or replacement of defective parts.

VI. REPORTING FORMS

The following forms are currently used for property management control:

Form HHS-22 Request for Property Action [Rev. 8/93]
 . transfer property
 . report new property
 . excess property

Form HHS-342 Report of Survey [Rev. 1/76]
 . report of lost property
 . report of stolen property
 . report of damaged property
 . report of missing property

Form HHS-365 Inventory Adjustment [Rev. 12/80]
 . add property
 . excess property

Form HHS-393 Purchase/Service/Stock Requisition [Rev. 6/90]
 . acquisition process for purchases

Form HHS-419 Clearance of Employees For Separation or Transfer
 [Rev. 7/90]

Form HHS-439 Personal Custody Property Record/Hand Receipt
 [Rev. 7/83]
 . user sign for the property
 . track property on hand

HHS-679 or OF-7 Property Pass [Rev. 11/86]
 . removal of personal property from the building

VII. PROCEDURES

The PCO shall be responsible for all property in the accountable area by ensuring adequate tracking records, maintain inventory,

assure proper use and maintenance of property. The PCO works closely with the PAO to obtain direction and guidance.

The following tracking records must be maintained by the PCO and the PAO to support the mission of the organization:

- o Property recordkeeping of the property shall be continuous from the original request for property to the transfer or disposal of property;
- o The records must show the location of accountable property, acquisition cost, description, manufacturer's name, serial number, and the assigned employee;
- o Acquisition records consist of either a copy of the purchase order or a copy of the IMPACT Credit Card charge receipts. Copies of purchase receipts must be maintained for the duration of property life cycle;
- o A yearly physical inventory and recordkeeping verification must be conducted by the PCO and PAO. In addition, a physical inventory must be made at the time of a newly assigned PCO;
- o All accountable personal property must be identified with a bar-code. Additional bar-codes are provided by the PAO;
- o The inventory data base system must be updated at the time newly acquired property is bar-coded;
- o Disposable property must be reported on a Form HHS-22, forwarded to OASFM, and should can only be removed from the inventory data base system by the PAO and the PUO.

INVENTORY

The inventory data base system is maintained by the PCO, PUO, and PCO using the following information.

A physical inventory is necessary to verify the accuracy of records to reflect the location and status of personal property.

The frequency of physical inventories, which may be taken on a cyclical basis over a period of time, should be determined on the basis of such factors as nature and value of the property.

ACF's inventory data base must be updated at the time of all action. The PCOs should make the necessary changes that occur in their custodial area. The PUO should make the necessary changes that occur in the reutilization of property. The following

information listed below are the fields that are used to track property.

FORMAT LISTING FOR MAINTAINING
DATA BASE INVENTORY SYSTEM

ACF Barcode Number:	Serial number to be affixed to accountable personal property by the PCO
Description:	Property item
Manufacturer:	Property manufacturer
Model Number:	Assigned by the property manufacturer
Serial Number:	Assigned by the property manufacturer
Current Cost:	Acquisition cost of equipment (includes shipping and installation charges on new purchases, cost increases and cost decreases)
Organization Code:	A digit code assigned to each accountable area
Purchase Order Number:	Obtained from the HHS-393
Transaction Code (TC):	Alphabetical codes assigned to each record indicating the type of action taken for example (A-action and T-transfer)
Acquisition Date:	Delivery day of possession
Employee User:	Employee name
Property Location:	Identify ACF's component, division, building, floor, and/or room number

Components may collect any other data determined necessary to properly manage and account for personal property. In addition components should refer to LMM 103-27.5203.

ACQUISITION METHODS

HHS Form HHS-393 Personal Property Purchase/Services/Stock Requisition is completed for small property purchases. The form is approved for property availability in OASFM and processed in the Division of Acquisitions Management.

IMPACT GOVERNMENT CREDIT CARD

A copy of accountable property purchase receipts valued at \$50 or greater must be forwarded to OASFM and a copy must be maintained in the custodial area.

PROPERTY ACTION

Property Passes Form HHS-679/OF-7 are used to move accountable property from custodial areas in and out of buildings.

- o The PMO, PAO, PUO, and PCO are authorized to sign property passes.
- o Employees are required to obtain the Form HHS-679 or OF-7 to move property from the building.
- o Authorized non-ACF employees whose work requires the removal of property (such as office machine service personnel).
- o A PMO, PAO, PUO, and PCO are not authorized to sign Form HHS-679 or OF-7 for their own removal of property.
- o The PMO, PAO or PUO must clear exiting employees for property accountability by initialing Form HHS-419.

USAGE FOR REPORT OF SURVEY

The following are reasons to complete a Report of Survey Form HHS-342:

- o Any employee who detects or suspects loss or theft of accountable property must immediately report it to the supervisor and OASFM;
- o A supervisor or PCO must make a preliminary investigation of unaccountable property. If the property cannot be located, the supervisor must complete a Form HHS-342 and forward to OASFM;
- o In cases of inventory shortages, damaged or unintentionally destroyed property, the PCO must complete a Form HHS-342 and forward to OASFM; and
- o Other OPDIV unrequired property must be reported on Form HHS-342 and forward to OASFM.

UTILIZATION AND DISPOSAL

PAOs shall routinely review property usage with the PCO to insure maximum property benefit.

- o Unrequired property no longer utilized by employees must be reported on Form HHS-22 and forwarded to OASFM for disposal.
- o Transferring property to another OPDIV and other agencies must be reported on Form HHS-22 and forwarded to OASFM.
- o Donated property must be channeled through OASFM. However, the Program Support Center (PSC) controls all HHS's property donations.
- o Disposal Codes Needed to Complete Form HHS-22
 - 1 - Unused - Good
 - 2 - Unused - Fair
 - 3 - Unused - Poor
 - 4 - Used - Good
 - 5 - Used - Fair
 - 6 - Used - Poor
 - 7 - Repairs required - Good [15% of actual cost or less]
 - 8 - Repairs required - Fair [16-40% of actual cost or less]
 - 9 - Repairs required - Poor [41-65% of actual cost or less]
 - X - Salvage
 - S - Scrap